



CITIZENS FOR
RESPONSIBILITY &
ETHICS IN WASHINGTON

January 25, 2022

The Hon. Nancy Pelosi
Speaker of the House of Representatives
235 Cannon House Office Building
Washington, D.C.
20515

Madam Speaker:

I write to you today on behalf of Citizens for Responsibility and Ethics in Washington (CREW), where I serve as President. CREW is a nonpartisan anti-corruption and good government watchdog organization committed to ensuring that our institutions and elected officials act ethically on behalf of the people they serve. It is with this purpose in mind that I write to you today to encourage you to support legislation that would prohibit members of Congress and their spouses from buying, selling, or owning individual stocks, bonds, or other similar financial instruments.

Over the past few years under your leadership, the House has written, debated, and passed the most sweeping government ethics and democracy protection legislation in a generation. The transformative ethics provisions in the For the People Act and the Protecting Our Democracy Act represent your commitment to fighting corruption and protecting our democracy from those who would seek to use their high office for personal or political gain.

These historic bills do not address a glaring practice that threatens to undermine the people's faith in Congress's commitment to good government and ethics despite these momentous achievements: members of Congress owning and trading individual stocks. As you well know, instances like [those](#) at the [beginning](#) of the [pandemic](#) – where certain legislators appeared to trade on confidential information, before the public became aware of the terrible scope of the pandemic – had a significant impact on the public's [perception of](#) the government's response to the pandemic.

As long as Members of Congress are allowed to own and trade individual stocks, this crisis of confidence will continue to grow. The public outrage regarding Members' stock trades at the beginning of the pandemic has not waned. Accounts of routine and bipartisan failures to comply with the STOCK Act tar the entire institution at a time when faith in our

democracy hangs in the balance. These issues are not going to stop arising as long as members are allowed to trade individual stocks, and they will continue to undermine confidence in Congress's commitments to ethics and democratic governance, and erode the institution's credibility across your legislative agenda, from democracy reform, to addressing systemic racism, and the critical reforms proposed by the January 6th Committee. This work is too important to allow a solvable problem to undermine your credibility as a champion of ethical conduct.

Bipartisan Members in both chambers of Congress have already introduced [legislation](#) that would impose limits on members and their spouses from trading or holding individual financial instruments, and public polling [indicates](#) that there is overwhelming and bipartisan support for banning members from trading specifically. To be entirely clear: anything short of a ban will not fully address this issue. Members who have a keen sense of their portfolio, or who are allowed to trade some sub-category of financial instruments, will still have potential conflicts of interest that will become public. Only a complete prohibition will circumvent both real conflicts and damaging second-guessing of members.

This isn't about forcing our representatives to take a vow of poverty--there are many ways to invest money that don't come with the risk of creating conflicts, like mutual or index funds. And if members and their spouses are intent on retaining their individual stock holdings they can always place those assets into a qualified blind trust. This legal regime has worked for the executive branch for decades, and it would work for Congress as well.

There are numerous bills that address this issue, many of which we have publicly endorsed.¹ Specifically, we encourage you to support legislation that bans members and their spouses from trading or holding individual financial instruments, like Sen. Ossoff's [Ban Congressional Stock Trading Act](#). This comprehensive legislation would end Congressional financial conflicts of interest and prevent the institution from ever having to deal with the crises of public confidence that these conflicts create. Passing this legislation would demonstrate that your commitment to rebuilding public confidence in our institutions extends to your own branch of government.

As you know, over the past week Minority Leader Rep. Kevin McCarthy (R-CA) [indicated](#) that he may support such legislation should he become Speaker. We [agree](#) that Rep. McCarthy has not shown any interest or willingness to address the ethical crisis created by the former President, and has opposed every piece of your ethics and anti-corruption agenda. However, we believe that Rep. McCarthy's comments, and the bipartisan legislation introduced in the House, and Monday's [bipartisan letter](#) supporting moving that legislation, are indicative of this policy's broad, bipartisan appeal. We were heartened by your [openness](#)

¹ This includes, but is not limited to, the following bills: Sen. Ossoff's [Ban Congressional Stock Trading Act](#), Rep. Spanberger and Rep. Roy's bipartisan [TRUST in Congress Act](#) (H.R. 336), Rep. Jayapal and Sen. Warren's [Anti-Corruption and Public Integrity Act](#) (H.R. 9029), and Rep. Craig's [HUMBLE Act](#) (H.R. 459).

to discussing a potential ban, and we encourage you to publicly support legislation to enact it.

Your tenure has been remarkable. You have made immense strides towards restoring and repairing our government following four years of the most corrupt administration in living memory. Your commitment to democracy, to fighting corruption and kleptocracy, and to restoring our government's image at home and abroad is unparalleled. It is time to broaden those commitments and address the appearance of corruption in your branch that continues to undermine them.

Kind regards,

A handwritten signature in blue ink, appearing to read "Noah Bookbinder". The signature is fluid and cursive, with a prominent initial "N" and a long, sweeping underline.

Noah Bookbinder
President
Citizens for Responsibility and
Ethics in Washington